

Canada: “A light to the world”

In a keynote address to La Conférence de Montréal, World Bank President James D. Wolfensohn suggested Canada as a cultural and multicultural model “in terms of living together.” Canada, “a country without baggage,” he said, could play an important role in aid to the developing world — which will account for more than seven-eighths of the world’s population by the mid-21st century — both in terms of economics and governance.

Dans une allocution prononcée lors de la Conférence de Montréal, le président de la Banque mondiale, James D. Wolfensohn, a suggéré l’adoption du modèle biculturel et multiculturel du Canada à ceux qui veulent vivre en harmonie. Le Canada, a-t-il dit, est un pays « sans bagages », un pays qui pourrait jouer un rôle important dans l’aide aux pays en développement — qui représenteront plus des sept huitièmes de la population mondiale d’ici le milieu du XXI^e siècle — et ce, à la fois dans le domaine économique et dans celui de la gouvernance.

We are indebted to Canada because of the leadership of the former prime minister, Lester Pearson, when he focused on the importance of having 0.7 percent of GDP as the target for development aid. We are very conscious also of the current leadership that this country is showing in terms of its commitment to participate in the trade negotiations in which it is an advocate of free trade for developing countries, and your leadership in terms of aid.

But why is it that I came to talk about that? Well, because it is impossible today to hide behind any wall, however large and however wonderful the local environment. I’m going to quote your prime minister, Paul Martin, when he said in relation to the world outside Canada: “Once protected by oceans, today’s front line stretches from the streets of Kabul to cities in the United States, from the rail lines in Madrid to cities across Canada. Our adversaries could be operating in the mountains of Afghanistan, in the cities of Europe and within our own borders. There is no home front. The conflict is not

over there, and our approach to security must reflect this reality.”

I start with security because it is something that is on everybody’s mind. Indeed, it is the dominant subject of debate in the global community, a debate built around the issue of security itself, of Iraq, of Afghanistan, of the Middle East, issues which tend to propel themselves onto the front page of newspapers and dominate many of the national debates, as well as the attribution of funding and the involvement of people in global affairs.

We live in a world that is not the 30 million people of Canada, one half of 1 percent of the global population. It’s a world of six billion people, and five billion of those people live in developing countries. That one billion of which Canada is part has 80 percent of the global income, and indeed Canada itself has 3 percent of the global income, with 0.5 percent of the population.

In the five billion people in the developing world, and a few also from the developed world — but very few — we have more than 2.3 billion peo-

ple that live on under \$2 a day. There are 1.2 billion people that live on under \$1 a day. We have 1.5 billion people that have no access to clean water. We have between 2.0 and 2.5 billion people who do not have access to sanitation. We have 1.5 billion people who do not have access to electricity. We have 2.5 billion people who cut down trees and use biomass to cook and so often kill themselves by asphyxiation and disorders that are caused by the noxious gasses that come in their houses.

We have a world in which there is great inequity. And you might ask why, in Canada, is this a problem? This form of inequity, this form of instability, cannot last if there is to be stability and peace on our planet. We don’t think we’re doing too well now, but in the next 20 to 25 years, we’ll add another two billion people to the planet. And in the year 2025, or thereabouts, we’ll have a planet not of six billion, but of eight billion, and we’ll have seven billion people in developing countries and maybe 50 million more in the devel-

oped world than we do today. And by 2050, it doesn't get much better for the eight billion out of nine.

The issue confronting us is how we can develop a world with growing instability, growing inequity and with a growing number of people without hope? People need hope. It is not that someone who has nothing is going to become a terrorist, but you are much more likely to have peace and security if those people have the very thing that you all want here. They want a voice. The women don't

Today's US\$6 to \$7 trillion of the developing world in GDP will be US\$56 trillion. And the rest of the world, the US\$24 trillion that is now the GDP of the rich countries, will be US\$75 trillion. Let me remind you the developing world will go up eight to nine times in this period, while the rich world goes up three times. And you're then closer, in terms of the GDP, than US\$56 trillion in developing countries and US\$75 trillion in the rich world.

want to be beaten. They want an opportunity for their children. They'd like to have a safe location in which to live. They want to build on their culture and their history. And for their children and themselves they want a chance, they want hope. People with hope don't take a gun and go out and shoot you. People with hope are the basis for economic, social, and intellectual growth.

It is crucial, in addition to the economic motives, that you, as Canadians, and — still an Australian by heart — show the same sort of naïveté that we showed in the Second World War, a naïveté of purpose, for which we are often criticized as we go overseas, but a naïveté which says that values are important and that one does these things not just because you pay for it, but because it's right.

One of the great strengths of this country is the fact that Canada does not have a lot of baggage in its history. It is a country that, as Paul Martin commented recently, is not a country that melts down culture; it's a mosaic of cultures.

It's a country which says that British North America has talked of governance or talked of the rights of people, has talked of the expectations and hopes of people, and it's been a country that has, over the years, with some bumps up and down, dealt with two cultures and, more recently, with a greater recognition for the rights of indigenous people far ahead, may I say, of my own country of origin. It's a country that has respected rights and has respected the importance of equity in social justice.

I'd like to say that this is at least as much an important factor as the issues which you are addressing in technology or business, of economics, because Canada has, and can, be a light to much of the world in terms of the value systems, in terms of the morality and ethics, and, may I say, too few people are proclaiming that today as a reason to be involved in development.

But it is a strength of your country. Canadians can proudly assert that this country is not only a model economically, but a model in terms of living together, mutual respect and values.

But you've got more than that. What you have done in development is to pick out the areas in which you have excelled. But first, let me deal with the economic region. Currently, your trade is roughly 6 percent with developing countries, and that's not enough, at least I wouldn't have thought it's enough when you have 85 percent dependence in Quebec, and Canada, on trade with the United States.

As you look forward, the developing world, which today is 18 or 19 per-

cent of the global GDP, will by the year 2050 be 40 percent of the global GDP, largely though not alone driven by demographics. Our estimates would have us believe that by the year 2050 we'll have a global GDP not of US\$34-\$35 trillion, which we do today, but US\$120 trillion making, more or less, a 3 percent increase year-on-year.

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And Canada has a great advantage. You are working in the developing world. You have not colonized anywhere that I'm aware of.

You probably know that at the Millennium Summit many goals were set for development in terms of poverty, health, education, the environment, and there isn't time to do any of them. But in subsequent meetings in Monterrey and in Johannesburg, it was agreed by the parties freely that for the developing countries they had to do a number of things.

They have to build their capacities — item number one, not imposed by the World Bank, not imposed by anyone. It was a self-description. Second, they need to have legal and judicial reform so that they could protect rights. Third, they need clean and appropriate financial systems. And fourth, that they should fight corruption.

Canada has demonstrated a great capacity in terms of training. With my colleagues at the World Bank Institute, and with many inputs from Canada, we are already doing on-site training, but we are now expanding into distance learning, a subject in

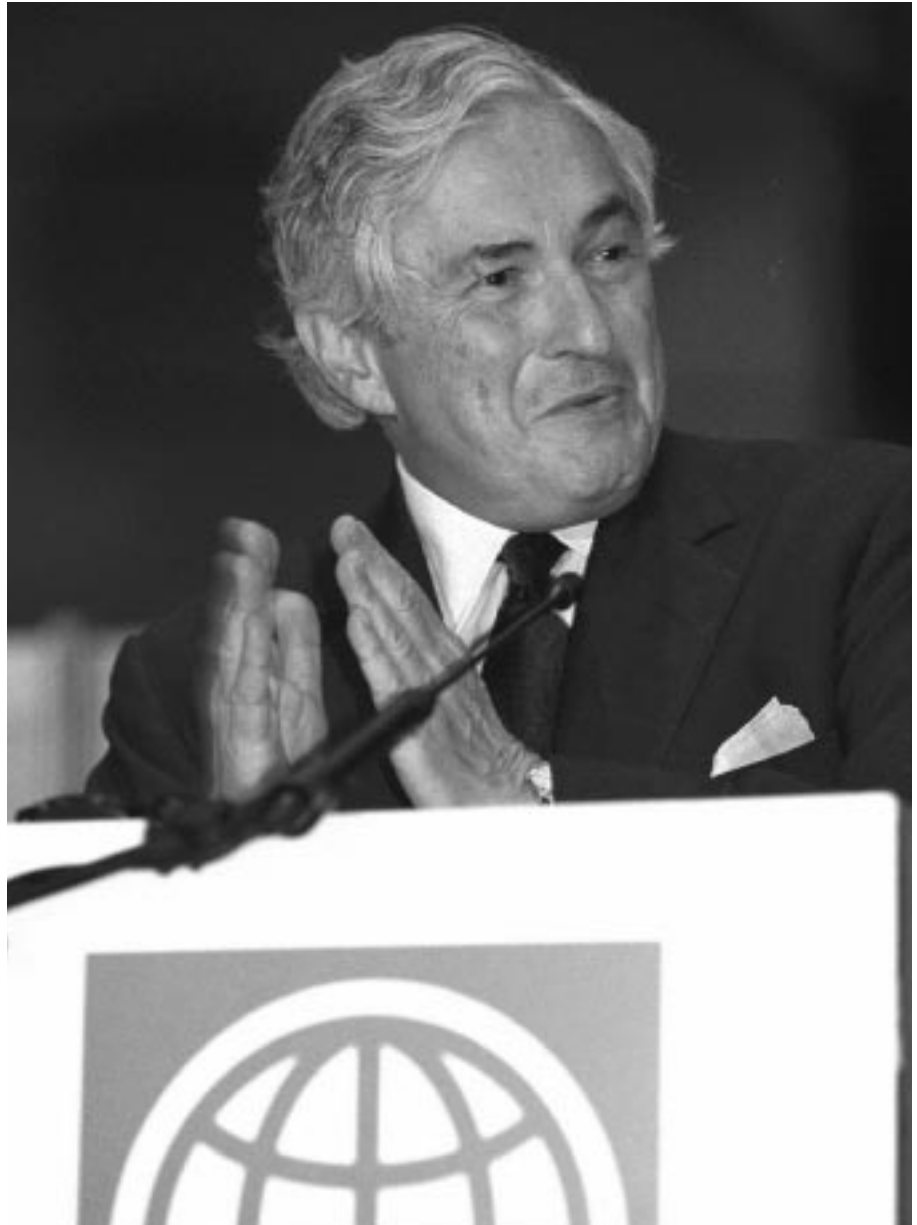
which this country has a long and significant history.

And so you have, for a country of this size, huge and disproportionate power in terms of what you can do. In fact, in the case of Sri Lanka, they have come to you for advice because they have a multicultural society that's having problems, and you have the experience in putting together a federal system that reflects the differences in a multicultural society, and are helping to build governance in those areas.

So whether it be in governance or whether it be in AIDS, where you have taken an important leadership role in putting up \$160 million, but in particular \$100 million for the initiative on AIDS, which is the so-called 3-by-5, having three million people under treatment for AIDS by 2005, three million out of six million who now need retrovirals, and where the current level is only 300,000 receiving retrovirals. Whether it's your own work in terms of the legislation that's been passed in this country for low-priced drugs, the generic drugs that can be manufactured in this country. Whether it's your work on education where you are supporting Tanzania and Mozambique in terms of a fast track to get education for all children. Whether it be on renewables where you are working and have great experience in terms of renewable energy, in addition to normal energy sources, but also finally the contribution of civil society.

And when I've met with groups of young people when I first started meetings two years ago, and I was talking to them about their role in the future, they said to me, "Mr. Wolfensohn, we're not the future, we're the now."

I can see literally dozens of areas in which this country can take a lead not based on the half-percent of the world's population or the 3 percent of GDP, but based on something that is much more important. Yes, you can make the argument



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Canada, says World Bank President James Wolfensohn, has, "for a country of this size, huge and disproportionate power in terms of what you can do," in terms of good in the world. Governance is one area where Canada, because of its experience in federalism, can be "a light to the world."

based on self-interest; yes, you can make the argument based on its being the ultimate security measure; and, yes, you can make it as an economic argument.

But if the private sector, civil society, government, and all sectors of society should send out a really confident message that you have the knowledge, you have the resources, you have

the experience, but most of all you have the moral fibre and the belief that development is the right thing, and you can then truly be a light to the world.

James D. Wolfensohn is president of the World Bank in Washington, DC. Excerpted from a keynote address to La Conférence de Montréal in June 2004.